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C O N F I D E N T I A L SECTION 01 OF 07 UNVIE VIENNA 000343

SIPDIS

DEPT FOR ISN/RA AND IO/T

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TAGS: [MNUC](#) [PARM](#) [AORC](#) [KNPP](#) [IS](#) [EG](#)
SUBJECT: IAEA/GC: ONE MIDDLE EAST, TWO RESOLUTIONS

REF: UNVIE 232 AND PREVIOUS

Classified By: Ambassador Gregory L. Schulte for Reasons 1.4 b and d

Summary and Request for Guidance

11. (C) Both Egypt and the Arab League have circulated their respective draft IAEA General Conference resolutions (paras 27-28). The revised Egyptian text purports to be based on consensus UNGA language and incorporates some of the French-proposed amendments rejected last year, but is still not acceptable to Israel in its current form. As predicted, the Arab League has dropped the reference to the Israeli Nuclear "Threat" in favor of the "Israeli Nuclear Capabilities." The Arab Group has gone out of its way to portray this as a matter-of-fact resolution that does not condemn Israel. Thus far the U.S., EU and like-minded have held strong in insisting on one agenda item/one resolution that does not single out Israel. In an Egyptian hosted lunch May 31, Egypt found itself isolated as the EU, including GC President Italy, and other like-minded insisted on linkage between the Egyptian and Arab League efforts. Finland urged Egypt to return to its former role in brokering consensus. Egypt insisted that it was not "desperate" for consensus, would call a vote if necessary, and would not be "held hostage" to the Arab League resolution. Privately, Egyptian DCM admitted to Ambassador Schulte that Egypt was losing influence over the Arab League and could not hope to deliver any compromise unless we "offer them something."

12. (C) The Arab League prefers a softer touch, probably in the hopes of cleaving off EU support for their "Israeli Nuclear Capabilities" resolution. In presenting the revised text to Ambassador Schulte June 4, Arab Group Chair Morocco insisted that the AL sought to avoid controversy or a vote. The draft text no longer refers directly to an Israeli "threat" though it infers as much. Israel assesses that since the Arab League has taken the lead on this resolution away from Syria, the tactics have shifted and the AL may be seeking to recreate the UNGA dynamic where the "Israel Nuclear Capabilities" resolution is adopted with the U.S. and Israel isolated in opposition. We have indications that the Arab League will ask for a new GC agenda item soon.

13. (C) Both Egypt and the Arab League have requested a formal response to their draft resolutions. Mission requests guidance on responding to their demarches. We do not yet need guidance on strategy or tactics. When/if a new provisional agenda is issued with "Israeli Nuclear Capabilities" included, we will consult with our EU/Like-minded colleagues on the possibility of removing it from the agenda at the Conference. Portraying the Arabs as

uncompromising will help keep the EU and others on our side as we continue to consult closely with the incoming French EU Presidency. Ultimately, we must be prepared to play hardball as well and lay out several options (paras 24-27), including a General Committee challenge to a second agenda item, amendments from the floor, and risking an up or down vote. Mission also cautions, however, that whatever we do on Middle East issues could affect other U.S. priorities in the General Conference. End Summary and Request for Guidance.

Egypt Rolls Out Revised Draft

14. (C) Egyptian Ambassador Fawzi solicited support for a revised draft GC resolution on Middle East Safeguards (para 28) at an Egyptian-hosted lunch May 30. A unified EU (represented by Slovenia, UK, Germany, Ireland, Finland, Italy, Greece) and other like-minded (Norway, New Zealand, Japan) supported a "holistic" approach to Middle East issues at the late September General Conference and pressed Egypt to resume its formerly constructive role to broker a "package" with the Arab League. Italian Ambassador Ghisi will be President of the 2008 General Conference. Also among the invitees were Israel, Russia, Turkey and NPT Prepcom Chair Ukraine. (Note: According to Israel, Canada, Australia and The Netherlands were intentionally not invited; the first two have taken strong principled positions on Middle East GC issues. France, which led the EU charge in the last GC against the Egyptian text will preside over the EU in the next GC, was also absent. End Note.)

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15. (C) Egyptian Ambassador Fawzi circulated the revised text in para 28, which he noted was based on agreed UNGA First Committee language with some amendments based on last year's General Conference deliberations. The deletions from last year may be aimed at placating France, which will hold the EU Presidency during this GC. The current draft deletes two references from the 2007 version that had raised French objections: OP 4 text which called on states in the region to not "permit the stationing on their territories or on territories under their control, of nuclear weapons or nuclear explosive devices" (Fawzy also suggested this was meant to address Turkish concerns, as a NATO member); and OP 6 text which had urged "the nuclear weapons states and all other states," (now just "all states") to assist in establishing and not hinder a NWFZ. The revised Egyptian text also deletes a paragraph which noted the importance of bilateral Middle East Peace negotiations and the multilateral working group on Arms Control and Regional Security, which has not been active for some time.

16. (C) Ambassador Schulte welcomed Egypt's effort to consult early and to amend the text but underlined the need to treat the Middle East as a whole. He reaffirmed that the U.S. seeks consensus on one Middle East item in the GC and will not accept a second agenda item singling out Israel while other countries in the region violate their obligations. Israeli Ambassador Michaeli agreed that without a "package" on the Middle East no consensus could be achieved. If the goal of was to isolate Israel, he argued, "then go ahead we're used to it." For Israel "compliance" was the real issue and should be reflected in the preamble. Some of the amendments were welcome, Michaeli noted, and the text was a step forward, "but only one step after ten steps backward last year." Israel could not accept the revised Egyptian text as written. He further observed that none of the NWFZs in the world had been established through the Agency but through direct negotiations; Fawzi challenged Israel to start them.

18. (C) Separately, Michaeli explained to Ambassador Schulte on June 10 that the revised Egyptian text deviates from UNGA

language, with OP 4 particularly problematic. (Note: The UNGA text "invites" rather than "calls upon" states in the region to develop, test, produce or acquire nuclear weapons. End note.) Michaeli also noted the change in OP 5 from "invites" to "further calls upon."

EU/Like-minded: There is Only One Middle East

¶9. (C) German Ambassador Gottwald agreed with the U.S. on treating the ME as a whole under one agenda item in the GC, as "there is only one Middle East." EU President Slovenia also supported consensus and while the Egyptian amendments addressed some concerns, the EU supports a single agenda item on the Middle East. Italy, which will hold the GC Presidency, sought consensus and to avoid a repeat of last year. Even Ireland, which had broken EU consensus to vote in favor of the Egyptian resolution last GC, did not want to repeat this "traumatic" experience. Ireland hoped there would be no second resolution and regretted the lack of coordination with the Arab group.

¶10. (C) The UK, Norway and New Zealand also supported a consensus package. The UK argued that it was best to address the Middle East in a single context, under one GC agenda item, and noted that language adopted by consensus in one context (i.e. UNGA) does not necessarily translate to another context. Norway cautioned that while the Egyptian effort was a positive step, we could not lose sight of overall picture. Sweden did not have issues with the Egyptian text but also did not want "too many resolutions."

¶11. (C) Picking up on these points, Finland observed that the EU was unified but there did not seem to be a unified Arab position. Finnish Ambassador Kauppi urged Egypt to resume the important role it had played prior to 2006 in brokering consensus. If Egypt wants success on their issue, she insisted, it must take responsibility on a related GC issue. She also supported one agenda item and one resolution. The Agency has a particular value and controversial issues should be minimized as it was all of our responsibility to keep the Agency strong, Kauppi concluded. Significantly, Italy (GC

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President) endorsed the Finnish position.

¶12. (C) Russia, Japan and Turkey likewise supported a consensus approach. (Note: Russia and Japan had voted in favor of the Egyptian resolution last year, while Turkey joined the EU in abstaining). Russia said it was willing to consider any text and Japan expressed strong support for a NWFZ. Turkey said it would study the text and asked if Egypt was open to changes. Fawzi noted that this draft text was based on consensus language and worried about opening it up to too many changes.

Egypt Isolated

¶13. (C) Completely isolated at his own dining room table, Egyptian Ambassador Fawzi warned that Cairo had wanted tougher resolution language. He underscored that Egypt was not "desperate" for consensus and would call a vote if necessary and put the onus on those who oppose a Middle East NWFZ to explain their position. The Egyptian effort would "not be held hostage" to another resolution, he claimed. Ambassador Schulte noted that everyone at the table wanted consensus but others, not present, do not and Egypt needed to help moderate them.

¶14. (C) Egyptian DCM took note of U.S. and EU positions, and said he would report "both" back to Cairo. Ambassador Schulte advised that he had not heard separate US and EU positions. He expressed hope that the Egyptian mission would report that the U.S., the EU, Norway, Japan (New Zealand

chimed in as well) all supported a single Middle East agenda item. After the lunch, the Egyptians reiterated privately their readiness to call for a vote. The Egyptian DCM also noted that Egypt was losing influence over the Arab League and asked that we "give them something"; Egypt could urge the Arab Group to be more moderate if they knew that a deal would be accepted. Ambassador Schulte recalled that the Arab group could have had a deal last year.

Arab Group Rolls Out Its Text

¶15. (C) Following up on Ambassador Schulte's meeting with AL SYG Moussa in April (reftel), Moroccan Ambassador Zniber, the new Arab Group in Vienna Chair, AL Ambassador Wehbe and the Saudi Ambassador shared the revised resolution on "Israeli Nuclear Capabilities" (para 29) with the U.S. on the margins of Board session June 4. Zniber had been mandated by the AL to present the text to the U.S., EU, NAM and other regional groups. In furtherance of the AL Summit and Ministerial level decisions, Zniber cast this as an effort to deal with the issue under the NPT umbrella, for the good of the NPT regime and within the competence of the IAEA General Conference. He underlined that it was not linked to the Middle East conflict. The objective, Zniber explained, was not to create "controversy or confrontation" nor to "blame, denounce or condemn" Israel but to stick to facts and to call upon Israel as the unique country in the region that has not adhered to the NPT. To this end, the word "threat" was dropped. He also

noted that the Arab Group wanted to avoid a vote. Through this resolution, the AL hoped to start a "dialogue" with the aim of convincing Israel to join the NPT. Arab countries recognized U.S. efforts in the region, and the AL asked that the U.S. understand their position on this issue.

¶16. (C) Ambassador Schulte reaffirmed U.S. support for a Middle East WMD-free zone, universal adherence to the NPT as well as universalization of the AP and highlighted "compliance" with the NPT as the major issue facing the region. He cited German Ambassador Gottwald's statement at the Egyptian lunch that "there is only one Middle East" and recounted EU and like-minded support for a single agenda item. Ambassador Schulte previewed the U.S. statement to the Board on the Provisional GC Agenda, which at this point includes only the Middle East Safeguards item. The U.S. statement supported a holistic and consensus based approach to the Middle East and opposed a second resolution that singled out any one country. Doing so, he argued, would raise questions as to why we were not citing two other countries in the region that were out of compliance. Nuclear Counselor further observed that the omnibus GC Safeguards resolution already calls on all countries to conclude a

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Comprehensive Safeguards Agreement, and, the
refore, to adhere to the NPT.

¶17. (C) Zniber acknowledged that the AL draft resolution may be singling it out Israel, "bearing in mind the context," but continued to deny any linkage to the Middle East conflict. Ambassador Schulte noted that we share the common aim of a WMD-free zone but support different tactics; without progress on Middle East peace, establishment of a WMD-free zone would be difficult. Furthermore, Iran and Syria's non-compliance raise two immediate threats that are not addressed by the GC.

As he did later in the Board meeting, Zniber assured that Syria would cooperate with the upcoming Safeguards visit. If a GC resolution were presented on Iran, the Arab Group would study it and would not be opposed in principle. Morocco believed that Iran must also fully respect its NPT obligations and answer UNSC and Board requests.

¶18. (C) Ambassador Schulte urged Zniber to coordinate with Egypt, which was after all also an Arab Group member. He welcomed the early dialogue with the Arab Group, and noted

that we were studying the Egyptian draft. The U.S. sees Middle East issues as a totality, and both efforts must be dealt with in tandem, he insisted. Wehbe agreed that there was one Middle East but many questions and asked Ambassador Schulte to relay final reaction from Washington. Ambassador Schulte promised to do so and reiterated that the U.S. and EU support one agenda item and one approach. Ambassador Schulte also encouraged Zniber to consult with Israel Zniber was open to dialogue with Israel in a personal capacity, if it would help, though doing so officially on behalf of the Arab Group would be difficult. (Note: USDEL passed the text to Israeli Ambassador after the meeting. End note.)

¶19. (C) During the June 5 Board session, Algeria and Morocco responded to the U.S. intervention in support of a single agenda item on the GC Provisional Agenda. Algeria was open to consultation and compromise but noted that "conditionality" would be difficult to accept. Morocco underlined that substantive discussion of the total denuclearization of the Middle East would be a priority objective for the General Conference. Notably, neither insisted on a second agenda item. (Note: We have indications that the Arab Group will soon ask for a second agenda item. End Note). The second resolution could also be considered under the existing Middle East Safeguards agenda item.

¶20. (C) Ambassador Schulte met June 11 with last year's GC President Moin Hamze, who will represent Lebanon at this year's GC. Noting that he saw no improvement in the situation in the run-up to this September's BOG and GC, Hamze confirmed that the Arab League will soon request a separate agenda item on "Israeli Nuclear Capabilities," and that Egypt has not accepted the merging of the two resolutions. He noted also that AL SecGen Moussa will be in Vienna for a donor conference on Lebanon June 23 and will use the opportunity to seek meetings on the issue.

Comment / Tactics / Analysis

¶21. (C) The "Israeli Nuclear Capabilities" draft resolution is not as anodyne as the Arab Group/AL would have us believe, and appears to have been the subject of negotiation with hard-liners in the group. Wehbe noted that the AL had tried to take account of U.S. and EU concerns, which "was not easy to do." It took two months for the AL to circulate the draft text Moussa had promised in April. Israeli Ambassador Michaeli agrees that Moussa seems to have taken ownership of this effort away from Syria.

¶22. (C) Aside from dropping any reference to the Israeli nuclear "threat," some of the language has been toughened, probably to compensate. OP 1 refers to the "threat" posed by the proliferation of nuclear weapons in the Middle East. Taken in conjunction with OP 2 calling on Israel to accede to the NPT, the inference is clear. The language in OP 1 was in the preamble of last year's text. Other changes include specific mention of UNSCR 487 in the preamble; OP2 "expresses concern" rather than "serious concern" and OP3 "Urges" rather than "Requests" the Director General to work with concerned states.

¶23. (C) For the Arab Group, dropping "threat" is a major concession, in the hopes of wooing the EU, but clearly

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doesn't make the resolution any more palatable to Israel. For the time being, the EU seems to be holding strong, insisting on one agenda item and not singling out Israel.

¶24. (C) One way of dealing with the AL resolution could be to insist on deletion of any reference to Israel. Privately, Michaeli was open to considering this as a resolution on nuclear capabilities in the region which could apply to Iran. Michaeli hoped that the two resolutions could be considered under the Middle East Safeguards agenda item. Michaeli

assessed that the AL may be seeking to recreate the UNGA First Committee dynamic whereby the Middle East Safeguards resolution is adopted by consensus and the "Israeli Nuclear Capabilities" resolution is voted upon with the U.S. and Israel isolated in opposition. He attributed this shift to the AL taking the lead away from Syria and believed the draft text was "testing the waters."

¶25. (C) If there is any hope for a consensus "package" linkage to the Egyptian text remains a key consideration. We will need to consider what such a package may look like. For two years now, the Arab Group has rejected the old package (resolution plus Presidential Statement). Both we and the EU have signaled clearly that we may challenge a second agenda item. The success of such a challenge would depend on the final composition of the General Committee, which includes the GC Vice-Presidents, yet to be chosen. Even if successful, the General Committee's recommendation could lead to a floor fight in the Plenary. Israel is also signaling that it may introduce floor amendments to both resolutions which could get majority support, but would effectively nullify the intent of the resolutions. In order to have any hope of pushing the Arabs back into compromise, the prospect of another disastrous (to the Arabs) vote on their issues must remain real.

¶26. (C) Ultimately our success in once again defeating the Arab League initiative will hinge on the EU. While we will be in good hands under the French Presidency, which can be expected to take a leadership role, we cannot afford to be complacent. Michaeli will meet with the French in the near future and we will also include this issue in our US-EU Presidency consultations. As EU President, the French may have to be more even-handed than in their national capacity.

Middle East Safeguards (Egyptian Draft)

¶27. (SBU) Begin text of "Application of IAEA safeguards in the Middle East" draft resolution:

The General Conference,

(a) Recognizing the importance of the non-proliferation of nuclear weapons - both globally and regionally - in enhancing international peace and security,

(b) Mindful of the usefulness of the Agency's safeguards system as a reliable means of verification of the peaceful uses of nuclear energy,

(c) Concerned by the grave consequences, endangering peace and security, of the presence in the Middle East region of nuclear activities not wholly devoted to peaceful purposes,

(d) Welcoming the initiatives regarding the establishment of a zone free of all weapons of mass destruction, including nuclear weapons, in the Middle East and earlier initiatives regarding arms control in the region,

(e) Recognizing that full realization of these objectives would be promoted by the participation of all States of the region,

(f) Commending the efforts of the Agency concerning the application of safeguards in the Middle East and the positive response of most States in concluding a full-scope safeguards agreement, and

(g) Recalling its resolution GC(51)/RES/17.

¶1. Takes note of the Director General's report in document GC(52)/XX (to be updated);

¶2. Affirms the urgent need for all States in the Middle East

to forthwith accept the application of full-scope Agency safeguards to all their nuclear activities as an important confidence-building measure among all States in the region and as a step in enhancing peace and security in the context of the establishment of a nuclear-weapon- free zone (NWFZ);

¶3. Calls upon all parties directly concerned to consider seriously taking the practical and appropriate steps required for the implementation of the proposal to establish a mutually and effectively verifiable NWFZ in the region, and invites the countries concerned which have not yet done so to adhere to international non-proliferation regimes, including the Treaty on the Non-Proliferation of Nuclear Weapons, as a means of complementing participation in a zone free of all weapons of mass destruction in the Middle East and of strengthening peace and security in the region;

¶4. Further calls upon all States of the region, pending the establishment of the zone, not to develop, produce, test or otherwise acquire nuclear weapons (Delete: or permit the stationing on their territories or on territories under their control, of nuclear weapons or nuclear explosive devices), or to pursue actions that would undermine the goal of establishing the zone;

¶5. (Delete: Invites) Further calls upon all States in the region to take measures, including confidence-building and verification measures, aimed at establishing a NWFZ in the Middle East;

¶6. Urges (Delete: the nuclear weapon States and all other States) all States to render assistance in the establishment of the zone and at the same time to refrain from any action that would hinder efforts aiming at its establishment;

¶7. (Delete para: Takes note of the importance of the bilateral Middle East peace negotiations and the multilateral working group on Arms Control and Regional Security in promoting mutual confidence and security in the Middle East, including the establishment of a NWFZ;)

¶8. Requests the Director General to continue consultations with the States of the Middle East to facilitate the early application of full-scope Agency safeguards to all nuclear activities in the region as relevant to the preparation of model agreements, as a necessary step towards the establishment of a NWFZ in the region, referred to in resolution GC(XXXVll)/RES/627;

¶9. Calls upon all States in the region to extend their fullest cooperation to the Director General in the fulfillment of the tasks entrusted to him in the preceding paragraph;

¶10. Calls upon all other States, especially those with a special responsibility for the maintenance of international peace and security, to render all assistance to the Director General by facilitating the implementation of this resolution; and

¶11. Requests the Director General to submit to the Board of Governors and the General Conference at its fifty-third (2009) regular session a report on the implementation of this resolution and to include in the provisional agenda for that session an item entitled "Application of IAEA safeguards in the Middle East".

End Text

Israeli Nuclear Capabilities (Arab Group Draft)

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¶28. (SBU) Begin text of Arab League draft resolution on "Israeli Nuclear Capabilities":

a) Recalling the relevant resolutions of the General Conference and the Presidential Statements endorsed by tile

General Conference on this issue.

b) Recalling also UN Security Council Resolution 487 (1981), which inter alia, requested Israel to submit all its nuclear installations to the agency's safeguards system.

(c) Bearing in mind the resolution on the Middle East adopted by the 1995 Review and Extension Conference of the Parties to

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the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), in which the Conference noted with concern the continued existence of unsafeguarded nuclear facilities in the Middle East.

d) Recalling the 2000 NPT Review Conference, which welcomed the fact that all states in Middle East, with the exception of Israel, are states parties to the NPT, and reaffirmed the importance of Israel's accession to the NPT and the placement of all its nuclear facilities under Comprehensive IAEA Safeguards for realizing the universality of the Treaty in the Middle East.

(e) Convinced of the significant contribution of the NPT to Nonproliferation and Disarmament and to regional and international peace and security.

f) Recognizing that joining the NPT Treaty and submitting all nuclear facilities in the region to the IAEA Comprehensive Safeguards is a prerequisite for establishing a Nuclear Weapons Free Zone in the Middle East (NWFZME):

¶1. Expresses concern about the threat posed by the proliferation of nuclear weapons to the security and stability of the Middle East,

¶2. Expresses concern about the Israeli nuclear capabilities, and calls upon Israel to accede to the NPT and to place all its nuclear facilities" under Comprehensive IAEA Safeguards.

¶3. Urges the Director General to work with the concernstates, in particular States with the special responsibility regarding nonproliferation as stated in article VI of the NPT towards achieving that end

¶4. Decides to remain seized of this matter and requests the Director General report on the implementation of this resolution to the Board of Governors and the General Conference at its fifty-third regular session under an agenda item entitled "Israeli Nuclear Capabilities".

SCHULTE